



City of San Diego  
**CARL DEMAIO**  
CITY COUNCILMEMBER –DISTRICT 5

**MEMORANDUM**

DATE: April 21, 2011

TO: Roger Bailey, Director of Public Utilities

FROM: Councilmember Carl DeMaio *Carl DeMaio*

RE: Public Utilities Department Projections Information Request

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Since 2007, the average single-family residence has seen the water bill increase, on average, by more than 65%. Rate increases in recent years have been justified as either being necessary to fund the Capital Improvement Program (CIP) for infrastructure, or reflecting “pass through” increases in the cost of water purchases from the San Diego County Water Authority (CWA), which purchases water from the Southern California Metropolitan Water District (MWD).

Please provide my office with the following information.

- A forecast of water purchase costs for FY 2012 through FY 2016
- Estimates of expenditures by category, broken out by Wastewater Fund and Water Fund, for the next five fiscal years, broken down in the same manner as on page 526 of Volume II: Department Detail of the Proposed Budget for Fiscal Year 2012
- A cash flow forecast, broken out by Wastewater Fund and Water Fund, for FY 2012 through FY 2016, that includes each of the following:
  - A list of major assumptions used in creating the forecast;
  - The incorporation of the current capital outlay schedule and estimated future project costs;
  - The use of the P6 S curve for forecasting future capital outlay expenditures;

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- A presentation of the buildup and drawdown of reserves by fund;
  - The forecasted debt coverage ratios.
- Projected annual debt service, broken out by Wastewater Fund and Water Fund, for FY 2012 through FY 2016

Should your office have any questions, please do not hesitate to contact Frank Prewoznik on my staff.

Thank you for your prompt attention to this request.

cc: Aimee Faucett, Deputy Chief of Staff/Director of Policy, Office of the Mayor